

HOUSE BILL No. 1002

DIGEST OF HB 1002 (Updated December 15, 2009 10:29 am - DI 92)

Citations Affected: IC 4-13; IC 4-13.6; IC 5-16; IC 8-10; IC 8-23; IC 36-1; IC 36-8.

Synopsis: Hiring preferences. Provides that certain contracts for public works projects may not be awarded to a contractor that does not: (1) employ residents of Indiana as at least 80% of the employees working on the contract; and (2) enter into subcontracts only with subcontractors that employ residents of Indiana as at least 80% of the employees working on the contract. Applies the preference to certain contracts entered into by the public works division of the department of administration, any state agency or commission entering into a public works contract, the commission governing the ports of Indiana, the department of transportation, and units of local government. Provides that if a contract is being paid for with federal funds and the requirement that 80% of the employees must be residents of Indiana causes the loss of the federal funds as determined by the federal agency providing the funds, the preference does not apply. Prohibits certain governmental actions when the preference does not apply. Requires the (Continued next page)

Effective: Upon passage.

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November 17, 2009, read first time and referred to Committee on Ways and Means. January 5, 2010, amended, reported — Do Pass.



Digest Continued

commissioner of the department of administration to prepare an annual report for the public and the legislative council stating, for the contractors awarded public works contracts by the state and the subcontractors with which these contractors entered into subcontracts, the percentage of the contractors' and subcontractors' employees working on the public works contracts who are residents of Indiana. Allows the hiring authority of a city, county, or township to give a preference in hiring for police and fire department positions to: (1) a police officer or firefighter laid off by a city; (2) a county police officer laid off by a sheriff's department; or (3) a person who was employed full-time or part-time by a township to provide fire protection and emergency services and has been laid off by the township. Provides that a laid off police officer or firefighter may not receive the preference unless the person applies for employment and meets all of the employment requirements established by law and the hiring authority.





Second Regular Session 116th General Assembly (2010)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in this style type, and deletions will appear in this style type.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in this style type. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in this style type or this style type reconciles conflicts between statutes enacted by the 2009 Regular and Special Sessions of the General Assembly.

HOUSE BILL No. 1002

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

Be it enacted by the General Assembly of the State of Indiana:

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1	SECTION 1. IC 4-13-1-16.5 IS ADDED TO THE INDIANA CODE
2	AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
3	UPON PASSAGE]: Sec. 16.5. (a) As used in this section, "covered
4	transaction" means the award of a contract under:
5	(1) IC 4-13.6-6-2.8;
6	(2) IC 5-16-1-7.5;
7	(3) IC 8-10-1-7.7; or
8	(4) IC 8-23-9-4.6.
9	(b) As used in this section, "resident of Indiana" means a person
10	who is at least eighteen (18) years of age and is one (1) of the
11	following:
12	(1) A person who has registered a motor vehicle in Indiana.

- (2) A person who is registered to vote in Indiana.
- (3) A person who has a child enrolled in an elementary or a secondary school located in Indiana.
 - (4) A person who derives more than one-half (1/2) of the person's gross income (as defined in Section 61 of the Internal

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1	Revenue Code) from sources in Indiana, according to the
2	provisions applicable to determining the source of adjusted
3	gross income that are set forth in IC 6-3-2-2. However, a
4	person who would otherwise be considered a resident of
5	Indiana under this subdivision is not a resident of Indiana if
6	a preponderance of the evidence concerning the factors set
7	forth in subdivisions (1) through (3) proves that the person is
8	not a resident of Indiana.
9	(c) Before October 1 of 2011, and each year thereafter, the
10	commissioner shall compile, make available for public inspection,
11	and submit to the legislative council a report for the preceding
12	state fiscal year stating:
13	(1) for the contractors awarded contracts in covered
14	transactions; and
15	(2) for the subcontractors with which the contractors referred
16	to in subdivision (1) enter into subcontracts in connection with
17	contracts awarded in covered transactions;
18	the percentage of the employees of the contractors and
19	subcontractors who work on the contracts and are residents of
20	Indiana. The report to the legislative council must be in an
21	electronic format under IC 5-14-6.
22	SECTION 2. IC 4-13.6-6-2.8 IS ADDED TO THE INDIANA
23	CODE AS A NEW SECTION TO READ AS FOLLOWS
24	[EFFECTIVE UPON PASSAGE]: Sec. 2.8. (a) As used in this section,
25	"resident of Indiana" means a person who is at least eighteen (18)
26	years of age and is one (1) of the following:
27	(1) A person who has registered a motor vehicle in Indiana.
28	(2) A person who is registered to vote in Indiana.
29	(3) A person who has a child enrolled in an elementary or a
30	secondary school located in Indiana.
31	(4) A person who derives more than one-half (1/2) of the
32	person's gross income (as defined in Section 61 of the Internal
33	Revenue Code) from sources in Indiana, according to the
34	provisions applicable to determining the source of adjusted
35	gross income that are set forth in IC 6-3-2-2. However, a
36	person who would otherwise be considered a resident of
37	Indiana under this subdivision is not a resident of Indiana if
38	a preponderance of the evidence concerning the factors set
39	forth in subdivisions (1) through (3) proves that the person is
40	not a resident of Indiana.

(b) A contract for a public works project may not be awarded



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to a contractor who does not:

1	(1) employ residents of Indiana as at least eighty percent
2	(80%) of the employees who work on the contract; and
3	(2) enter into subcontracts only with subcontractors who
4	employ residents of Indiana as at least eighty percent (80%)
5	of the employees who work on the subcontract.
6	(c) Before August 15 of 2011, and each year thereafter, the
7	division shall file with the commissioner a report for the preceding
8	year stating:
9	(1) for each contractor awarded a contract under this
0	chapter; and
1	(2) for each subcontractor with which a contractor referred
2	to in subdivision (1) enters into a contract in connection with
3	a contract awarded under this chapter;
4	the percentage of the employees of the contractor or subcontractor
.5	who work on the contract and are residents of Indiana.
6	(d) A contract awarded under this chapter for a public works
7	project is terminated if the division determines that the contractor
8	has failed to:
9	(1) employ residents of Indiana as at least eighty percent
20	(80%) of the employees who work on the contract; and
21	(2) enter into subcontracts only with subcontractors who
22	employ residents of Indiana as at least eighty percent (80%)
23	of the employees who work on the subcontract.
24	(e) A contractor or subcontractor who fails to employ residents
25	of Indiana as at least eighty percent (80%) of the employees who
26	work on the contract or subcontract commits a Class B infraction
27	for each nonresident of Indiana employed in excess of the number
28	of nonresident employees permitted by this section.
29	(f) If:
0	(1) a contract or subcontract subject to this section is funded
31	in whole or in part with federal funds; and
32	(2) imposing the requirements of this section would cause the
3	state to lose the federal funds for the contract, as determined
4	by the federal agency providing the funds;
55	subsections (a) through (e) do not apply.
66	(g) If an agency of the federal government makes a
37	determination under subsection (f) which causes a contract to be
8	exempted from the requirements of subsections (a) through (e), this
9	section is meant to express the view of the general assembly that
10	expanding employment opportunities for Indiana residents



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remains a vital part of the state's economy.

(h) A contract exempted from the requirements of subsections

1	(a) through (e) may not reference the employment of Indiana	
2	residents. The division may not consider the number of	
3	employment opportunities for Indiana residents when doing any of	
4	the following with respect to a project subject to a contract that is	
5	exempted from the requirements of subsections (a) through (e):	
6	(1) Issuing a request for proposals.	
7	(2) Issuing a bulletin inviting bids for the contract.	
8	(3) Prequalifying a contractor for the contract.	
9	(4) Evaluating a bid for the contract.	
10	SECTION 3. IC 5-16-1-7.5 IS ADDED TO THE INDIANA CODE	4
11	AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE	
12	UPON PASSAGE]: Sec. 7.5. (a) As used in this section, "resident of	
13	Indiana" means a person who is at least eighteen (18) years of age	
14	and is one (1) of the following:	
15	(1) A person who has registered a motor vehicle in Indiana.	
16	(2) A person who is registered to vote in Indiana.	4
17	(3) A person who has a child enrolled in an elementary or a	
18	secondary school located in Indiana.	
19	(4) A person who derives more than one-half (1/2) of the	
20	person's gross income (as defined in Section 61 of the Internal	
21	Revenue Code) from sources in Indiana, according to the	
22	provisions applicable to determining the source of adjusted	
23	gross income that are set forth in IC 6-3-2-2. However, a	
24	person who would otherwise be considered a resident of	
25	Indiana under this subdivision is not a resident of Indiana if	
26	a preponderance of the evidence concerning the factors set	
27	forth in subdivisions (1) through (3) proves that the person is	
28	not a resident of Indiana.	
29	(b) A contract for a public works project under this chapter	
30	may not be awarded to a contractor who does not:	
31	(1) employ residents of Indiana as at least eighty percent	
32	(80%) of the employees who work on the contract; and	
33	(2) enter into subcontracts only with subcontractors who	
34	employ residents of Indiana as at least eighty percent (80%)	
35	of the employees who work on the subcontract.	
36	(c) Before August 15 of 2011, and each year thereafter, the state	
37	or a commission entering into contracts under this chapter shall	
38	file with the commissioner of the Indiana department of	
39	administration a report stating:	
40	(1) for each contractor awarded a contract under this	
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(2) for each subcontractor with which a contractor referred



1	to in subdivision (1) enters into a contract in connection with
2	a contract awarded under this chapter;
3	the percentage of the employees of the contractor or subcontractor
4	who work on the contract and are residents of Indiana.
5	(d) A contract awarded under this chapter for a public works
6	project is terminated if the state or commission determines that the
7	contractor has failed to:
8	(1) employ residents of Indiana as at least eighty percent
9	(80%) of the employees who work on the contract; and
0	(2) enter into subcontracts only with subcontractors who
1	employ residents of Indiana as at least eighty percent (80%)
2	of the employees who work on the subcontract.
3	(e) A contractor or subcontractor who fails to employ residents
4	of Indiana as at least eighty percent (80%) of the employees who
.5	work on the contract or subcontract commits a Class B infraction
6	for each nonresident of Indiana employed in excess of the number
7	of nonresident employees permitted by this section.
. 8	(f) If:
9	(1) a contract or subcontract subject to this section is funded
20	in whole or in part with federal funds; and
21	(2) imposing the requirements of this section would cause the
22	state to lose the federal funds for the contract, as determined
23	by the federal agency providing the funds;
24	subsections (a) through (e) do not apply.
25	(g) If an agency of the federal government makes a
26	determination under subsection (f) which causes a contract to be
27	exempted from the requirements of subsections (a) through (e), this
28	section is meant to express the view of the general assembly that
29	expanding employment opportunities for Indiana residents
0	remains a vital part of the state's economy.
31	(h) A contract exempted from the requirements of subsections
32	(a) through (e) may not reference the employment of Indiana
33	residents. The state or a commission may not consider the number
4	of employment opportunities for Indiana residents when doing any
55	of the following with respect to a project subject to a contract that
66	is exempted from the requirements of subsections (a) through (e):
37	(1) Issuing a request for proposals.
8	(2) Issuing a bulletin inviting bids for the contract.
19	(3) Prequalifying a contractor for the contract.
10	(4) Evaluating a bid for the contract.
1	SECTION 4. IC 8-10-1-7.7 IS ADDED TO THE INDIANA CODE
12	AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE



1	UPON PASSAGE]: Sec. 7.7. (a) As used in this section, "resident of
2	Indiana" means a person who is at least eighteen (18) years of age
3	and is one (1) of the following:
4	(1) A person who has registered a motor vehicle in Indiana.
5	(2) A person who is registered to vote in Indiana.
6	(3) A person who has a child enrolled in an elementary or a
7	secondary school located in Indiana.
8	(4) A person who derives more than one-half (1/2) of the
9	person's gross income (as defined in Section 61 of the Internal
10	Revenue Code) from sources in Indiana, according to the
11	provisions applicable to determining the source of adjusted
12	gross income that are set forth in IC 6-3-2-2. However, a
13	person who would otherwise be considered a resident of
14	Indiana under this subdivision is not a resident of Indiana if
15	a preponderance of the evidence concerning the factors set
16	forth in subdivisions (1) through (3) proves that the person is
17	not a resident of Indiana.
18	(b) A contract for a public works project under this chapter
19	may not be awarded to a contractor who does not:
20	(1) employ residents of Indiana as at least eighty percent
21	(80%) of the employees of the contractor who work on the
22	contract; and
23	(2) enter into subcontracts only with subcontractors who
24	employ residents of Indiana as at least eighty percent (80%)
25	of the employees who work on the subcontract.
26	(c) Before August 15 of 2011, and each year thereafter, the
27	commission shall file with the commissioner of the Indiana
28	department of administration a report stating:
29	(1) for each contractor awarded a contract under this
30	chapter; and
31	(2) for each subcontractor with which a contractor referred
32	to in subdivision (1) enters into a contract in connection with
33	a contract awarded under this chapter;
34	the percentage of the employees of the contractor or subcontractor
35	who work on the contract and are residents of Indiana.
36	(d) A contract awarded under this chapter for a public works
37	project is terminated if the commission determines that the
38	contractor has failed to:
39 10	(1) employ residents of Indiana as at least eighty percent
40 4.1	(80%) of the employees who work on the contract; and
41	(2) enter into subcontracts only with subcontractors who

employ residents of Indiana as at least eighty percent (80%)



1	of the employees who work on the subcontract.
2	(e) A contractor or subcontractor who fails to employ residents
3	of Indiana as at least eighty percent (80%) of the employees who
4	work on the contract or subcontract commits a Class B infraction
5	for each nonresident of Indiana employed in excess of the number
6	of nonresident employees permitted by this section.
7	(f) If:
8	(1) a contract or subcontract subject to this section is funded
9	in whole or in part with federal funds; and
10	(2) imposing the requirements of this section would cause the
11	state to lose the federal funds for the contract, as determined
12	by the federal agency providing the funds;
13	subsections (a) through (e) do not apply.
14	(g) If an agency of the federal government makes a
15	determination under subsection (f) which causes a contract to be
16	exempted from the requirements of subsections (a) through (e), this
17	section is meant to express the view of the general assembly that
18	expanding employment opportunities for Indiana residents
19	remains a vital part of the state's economy.
20	(h) A contract exempted from the requirements of subsections
21	(a) through (e) may not reference the employment of Indiana
22	residents. The commission may not consider the number of
23	employment opportunities for Indiana residents when doing any of
24	the following with respect to a project subject to a contract that is
25	exempted from the requirements of subsections (a) through (e):
26	(1) Issuing a request for proposals.
27	(2) Issuing a bulletin inviting bids for the contract.
28	(3) Prequalifying a contractor for the contract.
29	(4) Evaluating a bid for the contract.
30	SECTION 5. IC 8-23-9-4.6 IS ADDED TO THE INDIANA CODE
31	AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
32	UPON PASSAGE]: Sec. 4.6. (a) As used in this section, "resident of
33	Indiana" means a person who is at least eighteen (18) years of age
34	and is one (1) of the following:
35	(1) A person who has registered a motor vehicle in Indiana.
36	(2) A person who is registered to vote in Indiana.
37	(3) A person who has a child enrolled in an elementary or a
38	secondary school located in Indiana.
39	(4) A person who derives more than one-half (1/2) of the
40	person's gross income (as defined in Section 61 of the Internal
41	Revenue Code) from sources in Indiana, according to the

provisions applicable to determining the source of adjusted



1	gross income that are set forth in IC 6-3-2-2. However, a
2	person who would otherwise be considered a resident of
3	Indiana under this subdivision is not a resident of Indiana if
4	a preponderance of the evidence concerning the factors set
5	forth in subdivisions (1) through (3) proves that the person is
6	not a resident of Indiana.
7	(b) A contract for a public works project under this chapter
8	may not be awarded to a contractor who does not:
9	(1) employ residents of Indiana as at least eighty percent
10	(80%) of the employees of the contractor who work on the
11	contract; and
12	(2) enter into subcontracts only with subcontractors who
13	employ residents of Indiana as at least eighty percent (80%)
14	of the employees working on the subcontract.
15	(c) Before August 15 of 2011, and each year thereafter, the
16	department shall file with the commissioner of the Indiana
17	department of administration a report stating:
18	(1) for each contractor awarded a contract under this
19	chapter; and
20	(2) for each subcontractor with which a contractor referred
21	to in subdivision (1) enters into a contract in connection with
22	a contract awarded under this chapter;
23	the percentage of the employees of the contractor or subcontractor
24	who work on the contract and are residents of Indiana.
25	(d) A contract awarded under this chapter for a public works
26	project is terminated if the department determines that the
27	contractor has failed to:
28	(1) employ residents of Indiana as at least eighty percent
29	(80%) of the employees who work on the contract; and
30	(2) enter into subcontracts only with subcontractors who
31	employ residents of Indiana as at least eighty percent (80%)
32	of the employees who work on the subcontract.
33	(e) A contractor or subcontractor who fails to employ residents
34	of Indiana as at least eighty percent (80%) of the employees who
35	work on the contract or subcontract commits a Class B infraction
36	for each nonresident of Indiana employed in excess of the number
37	of nonresident employees permitted by this section.
38	(f) If:
39	(1) a contract or subcontract subject to this section is funded
40	in whole or in part with federal funds; and
41	(2) imposing the requirements of this section would cause the

state to lose the federal funds for the contract, as determined



1	by the federal agency providing the funds;	
2	subsections (a) through (e) do not apply.	
3	(g) If an agency of the federal government makes a	
4	determination under subsection (f) which causes a contract to be	
5	exempted from the requirements of subsections (a) through (e), this	
6	section is meant to express the view of the general assembly that	
7	expanding employment opportunities for Indiana residents	
8	remains a vital part of the state's economy.	
9	(h) A contract exempted from the requirements of subsections	_
0	(a) through (e) may not reference the employment of Indiana	
1	residents. The department may not consider the number of	
2	employment opportunities for Indiana residents when doing any of	
.3	the following with respect to a project subject to a contract that is	
4	exempted from the requirements of subsections (a) through (e):	
.5	(1) Issuing a request for proposals.	
6	(2) Issuing a bulletin inviting bids for the contract.	
7	(3) Prequalifying a contractor for the contract.	
8	(4) Evaluating a bid for the contract.	
9	SECTION 6. IC 36-1-12-5.5 IS ADDED TO THE INDIANA CODE	
20	AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE	
21	UPON PASSAGE]: Sec. 5.5. (a) As used in this section, "resident of	
22	Indiana" means a person who is at least eighteen (18) years of age	
23	and is one (1) of the following:	N
24	(1) A person who has registered a motor vehicle in Indiana.	
25	(2) A person who is registered to vote in Indiana.	
26	(3) A person who has a child enrolled in an elementary or a	
27	secondary school located in Indiana.	
28	(4) A person who derives more than one-half (1/2) of the	V
29	person's gross income (as defined in Section 61 of the Internal	J
0	Revenue Code) from sources in Indiana, according to the	
31	provisions applicable to determining the source of adjusted	
32	gross income that are set forth in IC 6-3-2-2. However, a	
33	person who would otherwise be considered a resident of	
34	Indiana under this subdivision is not a resident of Indiana if	
35	a preponderance of the evidence concerning the factors set	
66	forth in subdivisions (1) through (3) proves that the person is	
37	not a resident of Indiana.	
8	(b) A contract for a public works project under this chapter	
9	may not be awarded to a contractor who does not:	
10	(1) employ residents of Indiana as at least eighty percent	
1	(80%) of the employees of the contractor who work on the	



contract; and

1	(2) enter into subcontracts only with subcontractors who
2	employ residents of Indiana as at least eighty percent (80%)
3	of the employees working on the subcontract.
4	(c) A contract awarded under this chapter for a public works
5	project is terminated if the unit determines that the contractor has
6	failed to:
7	(1) employ residents of Indiana as at least eighty percent
8	(80%) of the employees who work on the contract; and
9	(2) enter into subcontracts only with subcontractors who
10	employ residents of Indiana as at least eighty percent (80%)
11	of the employees who work on the subcontract.
12	(d) A contractor or subcontractor who fails to employ residents
13	of Indiana as at least eighty percent (80%) of the employees who
14	work on the contract or subcontract commits a Class B infraction
15	for each nonresident of Indiana employed in excess of the number
16	of nonresident employees permitted by this section.
17	(e) If:
18	(1) a contract or subcontract subject to this section is funded
19	in whole or in part with federal funds; and
20	(2) imposing the requirements of this section would cause the
21	state to lose the federal funds for the contract, as determined
22	by the federal agency providing the funds;
23	subsections (a) through (d) do not apply.
24	(f) If an agency of the federal government makes a
25	determination under subsection (e) which causes a contract to be
26	exempted from the requirements of subsections (a) through (d),
27	this section is meant to express the view of the general assembly
28	that expanding employment opportunities for Indiana residents
29	remains a vital part of the state's economy.
30	(g) A contract exempted from the requirements of subsections
31	(a) through (d) may not reference the employment of Indiana
32	residents. The division may not consider the number of
33	employment opportunities for Indiana residents when doing any of
34	the following with respect to a project subject to a contract that is
35	exempted from the requirements of subsections (a) through (d):
36	(1) Issuing a request for proposals.
37	(2) Issuing a bulletin inviting bids for the contract.
38	(3) Prequalifying a contractor for the contract.
39	(4) Evaluating a bid for the contract.
40	SECTION 7. IC 36-8-4-10 IS AMENDED TO READ AS
41	FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) Subject to
42	subsection (b), (c), the board or persons having the authority to employ



1	members of the fire or police department shall give a preference for	
2	employment according to the following priority:	
3	(1) A war veteran who has been honorably discharged from the	
4	United States armed forces.	
5	(2) A person whose mother or father was a:	
6	(A) firefighter of a unit;	
7	(B) municipal police officer; or	
8	(C) county police officer;	
9	who died in the line of duty (as defined in IC 5-10-10-2).	
10	(b) Subject to subsection (c), the board or person having the	
11	authority to employ members of a fire or police department may	
12	give a preference for employment to any of the following:	
13	(1) A police officer or firefighter laid off by another city under	
14	section 11 of this chapter.	
15	(2) A county police officer laid off by a sheriff's department	
16	under IC 36-8-10-11.1.	
17	(3) A person who:	
18	(A) was employed full-time or part-time by a township to	
19	provide fire protection and emergency services; and	
20	(B) has been laid off by the township.	
21	(b) (c) A person described in subsection (a) or (b) may not receive	
22	a preference for employment unless the person:	
23	(1) applies; and	
24	(2) meets all employment requirements prescribed:	
25	(A) by law, including physical and age requirements; and	
26	(B) by the fire or police department.	
27	SECTION 8. IC 36-8-10-10.4 IS AMENDED TO READ AS	
28	FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10.4. (a) Subject	V
29	to subsection (b), (c), the board shall give a preference for employment	
30	according to the following priority:	
31	(1) A war veteran who has been honorably discharged from the	
32	United States armed forces.	
33	(2) A person whose mother or father was a:	
34	(A) firefighter of a unit;	
35	(B) municipal police officer; or	
36	(C) county police officer;	
37	who died in the line of duty (as defined in IC 5-10-10-2).	
38	(b) Subject to subsection (c), the board may give a preference	
39	for employment to any of the following:	
40	(1) A member of another department laid off under section	
41	11.1 of this chapter.	
42	(2) A police officer laid off by a city under IC 36-8-4-11.	



1	(b) (c) A person described in subsection (a) or (b) may not receive	
2	a preference for employment unless the person:	
3	(1) applies; and	
4	(2) meets all employment requirements prescribed:	
5	(A) by law, including physical and age requirements; and	
6	(B) by the department.	
7	SECTION 9. IC 36-8-13-3, AS AMENDED BY P.L.182-2009(ss),	
8	SECTION 439, IS AMENDED TO READ AS FOLLOWS	
9	[EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The executive of a	
10	township, with the approval of the legislative body, may do the	
11	following:	
12	(1) Purchase firefighting and emergency services apparatus and	
13	equipment for the township, provide for the housing, care,	
14	maintenance, operation, and use of the apparatus and equipment	
15	to provide services within the township but outside the corporate	
16	boundaries of municipalities, and employ full-time or part-time	
17	personnel to operate the apparatus and equipment and to provide	
18	services in that area. Preference in employment under this section	
19	shall be given according to the following priority:	
20	(A) A war veteran who has been honorably discharged from	
21	the United States armed forces.	
22	(B) A person whose mother or father was a:	
23	(i) firefighter of a unit;	
24	(ii) municipal police officer; or	_
25	(iii) county police officer;	
26	who died in the line of duty (as defined in IC 5-10-10-2).	
27	The executive of a township may give a preference for	
28	employment under this section to a person who was employed	V
29	full-time or part-time by another township to provide fire	
30	protection and emergency services and has been laid off by	
31	the township. The executive of a township may also give a	
32	preference for employment to a firefighter laid off by a city	
33	under IC 36-8-4-11. A person described in this subdivision may	
34	not receive a preference for employment unless the person applies	
35	for employment and meets all employment requirements	
36	prescribed by law, including physical and age requirements, and	
37	all employment requirements prescribed by the fire department.	
38	(2) Contract with a municipality in the township or in a	
39	contiguous township that maintains adequate firefighting or	
40	emergency services apparatus and equipment to provide fire	
41	protection or emergency services for the township in accordance	



with IC 36-1-7.

1	(3) Cooperate with a municipality in the township or in a
2	contiguous township in the purchase, maintenance, and upkeep of
3	firefighting or emergency services apparatus and equipment for
4	use in the municipality and township in accordance with
5	IC 36-1-7.
6	(4) Contract with a volunteer fire department that has been
7	organized to fight fires in the township for the use and operation
8	of firefighting apparatus and equipment that has been purchased
9	by the township in order to save the private and public property
10	of the township from destruction by fire, including use of the
11	apparatus and equipment in an adjoining township by the
12	department if the department has made a contract with the
13	executive of the adjoining township for the furnishing of
14	firefighting service within the township.
15	(5) Contract with a volunteer fire department that maintains
16	adequate firefighting service in accordance with IC 36-8-12.
17	(b) This subsection applies only to townships that provide fire
18	protection or emergency services or both under subsection (a)(1) and
19	to municipalities that have some part of the municipal territory within
20	a township and do not have a full-time paid fire department. A
21	township may provide fire protection or emergency services or both
22	without contracts inside the corporate boundaries of the municipalities
23	if before July 1 of a year the following occur:
24	(1) The legislative body of the municipality adopts an ordinance
25	to have the township provide the services without a contract.
26	(2) The township legislative body passes a resolution approving
27	the township's provision of the services without contracts to the
28	municipality.
29	In a township providing services to a municipality under this section,
30	the legislative body of either the township or a municipality in the
31	township may opt out of participation under this subsection by adopting
32	an ordinance or a resolution, respectively, before July 1 of a year.
33	(c) This subsection applies only to a township that:
34	(1) is located in a county containing a consolidated city;
35	(2) has at least three (3) included towns (as defined in
36	IC 36-3-1-7) that have all municipal territory completely within
37	the township on January 1, 1996; and
38	(3) provides fire protection or emergency services, or both, under
39	subsection (a)(1);

and to included towns (as defined in IC 36-3-1-7) that have all the included town's municipal territory completely within the township. A

township may provide fire protection or emergency services, or both,



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without contracts inside the corporate boundaries of the municipalities
if before August 1 of the year preceding the first calendar year to which
this subsection applies the township legislative body passes a
resolution approving the township's provision of the services withou
contracts to the municipality. The resolution must identify the included
towns to which the resolution applies. In a township providing services
to a municipality under this section, the legislative body of the
township may opt out of participation under this subsection by adopting
a resolution before July 1 of a year. A copy of a resolution adopted
under this subsection shall be submitted to the executive of each
included town covered by the resolution, the county auditor, and the
department of local government finance.

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SECTION 10. An emergency is declared for this act.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1002, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, delete lines 41 through 42.

Page 3, delete lines 1 through 3.

Page 3, line 4, delete "(c)" and insert "(b)".

Page 3, line 11, delete "(d)" and insert "(c)".

Page 3, line 21, delete "(e)" and insert "(d)".

Page 3, line 29, delete "(f)" and insert "(e)".

Page 3, delete lines 34 through 42, begin a new paragraph and insert:

"(f) If:

- (1) a contract or subcontract subject to this section is funded in whole or in part with federal funds; and
- (2) imposing the requirements of this section would cause the state to lose the federal funds for the contract, as determined by the federal agency providing the funds;

subsections (a) through (e) do not apply.

- (g) If an agency of the federal government makes a determination under subsection (f) which causes a contract to be exempted from the requirements of subsections (a) through (e), this section is meant to express the view of the general assembly that expanding employment opportunities for Indiana residents remains a vital part of the state's economy.
- (h) A contract exempted from the requirements of subsections (a) through (e) may not reference the employment of Indiana residents. The division may not consider the number of employment opportunities for Indiana residents when doing any of the following with respect to a project subject to a contract that is exempted from the requirements of subsections (a) through (e):
 - (1) Issuing a request for proposals.
 - (2) Issuing a bulletin inviting bids for the contract.
 - (3) Prequalifying a contractor for the contract.
 - (4) Evaluating a bid for the contract.".

Page 4, delete lines 20 through 24.

Page 4, line 25, delete "(c)" and insert "(b)".

Page 4, line 32, delete "(d)" and insert "(c)".

Page 5, line 1, delete "(e)" and insert "(d)".

Page 5, line 9, delete "(f)" and insert "(e)".

Page 5, delete lines 14 through 22, begin a new paragraph and



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insert:

"(f) If:

- (1) a contract or subcontract subject to this section is funded in whole or in part with federal funds; and
- (2) imposing the requirements of this section would cause the state to lose the federal funds for the contract, as determined by the federal agency providing the funds;

subsections (a) through (e) do not apply.

- (g) If an agency of the federal government makes a determination under subsection (f) which causes a contract to be exempted from the requirements of subsections (a) through (e), this section is meant to express the view of the general assembly that expanding employment opportunities for Indiana residents remains a vital part of the state's economy.
- (h) A contract exempted from the requirements of subsections (a) through (e) may not reference the employment of Indiana residents. The state or a commission may not consider the number of employment opportunities for Indiana residents when doing any of the following with respect to a project subject to a contract that is exempted from the requirements of subsections (a) through (e):
 - (1) Issuing a request for proposals.
 - (2) Issuing a bulletin inviting bids for the contract.
 - (3) Prequalifying a contractor for the contract.
 - (4) Evaluating a bid for the contract.".

Page 5, delete line 42.

Page 6, delete lines 1 through 4.

Page 6, line 5, delete "(c)" and insert "(b)".

Page 6, line 13, delete "(d)" and insert "(c)".

Page 6, line 23, delete "(e)" and insert "(d)".

Page 6, line 31, delete "(f)" and insert "(e)".

Page 6, delete lines 36 through 42.

Page 7, delete lines 1 through 2, begin a new paragraph and insert: "(f) If:

- (1) a contract or subcontract subject to this section is funded in whole or in part with federal funds; and
- (2) imposing the requirements of this section would cause the state to lose the federal funds for the contract, as determined by the federal agency providing the funds;

subsections (a) through (e) do not apply.

(g) If an agency of the federal government makes a determination under subsection (f) which causes a contract to be exempted from the requirements of subsections (a) through (e), this

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section is meant to express the view of the general assembly that expanding employment opportunities for Indiana residents remains a vital part of the state's economy.

- (h) A contract exempted from the requirements of subsections (a) through (e) may not reference the employment of Indiana residents. The commission may not consider the number of employment opportunities for Indiana residents when doing any of the following with respect to a project subject to a contract that is exempted from the requirements of subsections (a) through (e):
 - (1) Issuing a request for proposals.
 - (2) Issuing a bulletin inviting bids for the contract.
 - (3) Prequalifying a contractor for the contract.
 - (4) Evaluating a bid for the contract.".

Page 7, delete lines 22 through 26.

Page 7, line 27, delete "(c)" and insert "(b)".

Page 7, line 35, delete "(d)" and insert "(c)".

Page 8, line 3, delete "(e)" and insert "(d)".

Page 8, line 11, delete "(f)" and insert "(e)".

Page 8, delete lines 16 through 24, begin a new paragraph and insert:

"(f) If:

- (1) a contract or subcontract subject to this section is funded in whole or in part with federal funds; and
- (2) imposing the requirements of this section would cause the state to lose the federal funds for the contract, as determined by the federal agency providing the funds;

subsections (a) through (e) do not apply.

- (g) If an agency of the federal government makes a determination under subsection (f) which causes a contract to be exempted from the requirements of subsections (a) through (e), this section is meant to express the view of the general assembly that expanding employment opportunities for Indiana residents remains a vital part of the state's economy.
- (h) A contract exempted from the requirements of subsections (a) through (e) may not reference the employment of Indiana residents. The department may not consider the number of employment opportunities for Indiana residents when doing any of the following with respect to a project subject to a contract that is exempted from the requirements of subsections (a) through (e):
 - (1) Issuing a request for proposals.
 - (2) Issuing a bulletin inviting bids for the contract.
 - (3) Prequalifying a contractor for the contract.



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(4) Evaluating a bid for the contract.".

Page 9, delete lines 2 through 6.

Page 9, line 7, delete "(c)" and insert "(b)".

Page 9, line 15, delete "(d)" and insert "(c)".

Page 9, line 23, delete "(e)" and insert "(d)".

Page 9, delete lines 28 through 36, begin a new paragraph and insert:

"(e) If:

- (1) a contract or subcontract subject to this section is funded in whole or in part with federal funds; and
- (2) imposing the requirements of this section would cause the state to lose the federal funds for the contract, as determined by the federal agency providing the funds;

subsections (a) through (d) do not apply.

- (f) If an agency of the federal government makes a determination under subsection (e) which causes a contract to be exempted from the requirements of subsections (a) through (d), this section is meant to express the view of the general assembly that expanding employment opportunities for Indiana residents remains a vital part of the state's economy.
- (g) A contract exempted from the requirements of subsections (a) through (d) may not reference the employment of Indiana residents. The division may not consider the number of employment opportunities for Indiana residents when doing any of the following with respect to a project subject to a contract that is exempted from the requirements of subsections (a) through (d):
 - (1) Issuing a request for proposals.
 - (2) Issuing a bulletin inviting bids for the contract.
 - (3) Prequalifying a contractor for the contract.
 - (4) Evaluating a bid for the contract.

SECTION 7. IC 36-8-4-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) Subject to subsection (b), (c), the board or persons having the authority to employ members of the fire or police department shall give a preference for employment according to the following priority:

- (1) A war veteran who has been honorably discharged from the United States armed forces.
- (2) A person whose mother or father was a:
 - (A) firefighter of a unit;
 - (B) municipal police officer; or
 - (C) county police officer;

who died in the line of duty (as defined in IC 5-10-10-2).

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- (b) Subject to subsection (c), the board or person having the authority to employ members of a fire or police department may give a preference for employment to any of the following:
 - (1) A police officer or firefighter laid off by another city under section 11 of this chapter.
 - (2) A county police officer laid off by a sheriff's department under IC 36-8-10-11.1.
 - (3) A person who:
 - (A) was employed full-time or part-time by a township to provide fire protection and emergency services; and
 - (B) has been laid off by the township.
- (b) (c) A person described in subsection (a) or (b) may not receive a preference for employment unless the person:
 - (1) applies; and
 - (2) meets all employment requirements prescribed:
 - (A) by law, including physical and age requirements; and
 - (B) by the fire or police department.

SECTION 8. IC 36-8-10-10.4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10.4. (a) Subject to subsection (b), (c), the board shall give a preference for employment according to the following priority:

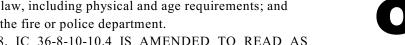
- (1) A war veteran who has been honorably discharged from the United States armed forces.
- (2) A person whose mother or father was a:
 - (A) firefighter of a unit;
 - (B) municipal police officer; or
 - (C) county police officer;

who died in the line of duty (as defined in IC 5-10-10-2).

- (b) Subject to subsection (c), the board may give a preference for employment to any of the following:
 - (1) A member of another department laid off under section 11.1 of this chapter.
 - (2) A police officer laid off by a city under IC 36-8-4-11.
- (b) (c) A person described in subsection (a) or (b) may not receive a preference for employment unless the person:
 - (1) applies; and
 - (2) meets all employment requirements prescribed:
 - (A) by law, including physical and age requirements; and
 - (B) by the department.

SECTION 9. IC 36-8-13-3, AS AMENDED BY P.L.182-2009(ss), SECTION 439, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The executive of a

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township, with the approval of the legislative body, may do the following:

- (1) Purchase firefighting and emergency services apparatus and equipment for the township, provide for the housing, care, maintenance, operation, and use of the apparatus and equipment to provide services within the township but outside the corporate boundaries of municipalities, and employ full-time or part-time personnel to operate the apparatus and equipment and to provide services in that area. Preference in employment under this section shall be given according to the following priority:
 - (A) A war veteran who has been honorably discharged from the United States armed forces.
 - (B) A person whose mother or father was a:
 - (i) firefighter of a unit;
 - (ii) municipal police officer; or
 - (iii) county police officer;

who died in the line of duty (as defined in IC 5-10-10-2).

The executive of a township may give a preference for employment under this section to a person who was employed full-time or part-time by another township to provide fire protection and emergency services and has been laid off by the township. The executive of a township may also give a preference for employment to a firefighter laid off by a city under IC 36-8-4-11. A person described in this subdivision may not receive a preference for employment unless the person applies for employment and meets all employment requirements prescribed by law, including physical and age requirements, and all employment requirements prescribed by the fire department.

- (2) Contract with a municipality in the township or in a contiguous township that maintains adequate firefighting or emergency services apparatus and equipment to provide fire protection or emergency services for the township in accordance with IC 36-1-7.
- (3) Cooperate with a municipality in the township or in a contiguous township in the purchase, maintenance, and upkeep of firefighting or emergency services apparatus and equipment for use in the municipality and township in accordance with IC 36-1-7.
- (4) Contract with a volunteer fire department that has been organized to fight fires in the township for the use and operation of firefighting apparatus and equipment that has been purchased by the township in order to save the private and public property

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of the township from destruction by fire, including use of the apparatus and equipment in an adjoining township by the department if the department has made a contract with the executive of the adjoining township for the furnishing of firefighting service within the township.

- (5) Contract with a volunteer fire department that maintains adequate firefighting service in accordance with IC 36-8-12.
- (b) This subsection applies only to townships that provide fire protection or emergency services or both under subsection (a)(1) and to municipalities that have some part of the municipal territory within a township and do not have a full-time paid fire department. A township may provide fire protection or emergency services or both without contracts inside the corporate boundaries of the municipalities if before July 1 of a year the following occur:
 - (1) The legislative body of the municipality adopts an ordinance to have the township provide the services without a contract.
 - (2) The township legislative body passes a resolution approving the township's provision of the services without contracts to the municipality.

In a township providing services to a municipality under this section, the legislative body of either the township or a municipality in the township may opt out of participation under this subsection by adopting an ordinance or a resolution, respectively, before July 1 of a year.

- (c) This subsection applies only to a township that:
 - (1) is located in a county containing a consolidated city;
 - (2) has at least three (3) included towns (as defined in IC 36-3-1-7) that have all municipal territory completely within the township on January 1, 1996; and
 - (3) provides fire protection or emergency services, or both, under subsection (a)(1);

and to included towns (as defined in IC 36-3-1-7) that have all the included town's municipal territory completely within the township. A township may provide fire protection or emergency services, or both, without contracts inside the corporate boundaries of the municipalities if before August 1 of the year preceding the first calendar year to which this subsection applies the township legislative body passes a resolution approving the township's provision of the services without contracts to the municipality. The resolution must identify the included towns to which the resolution applies. In a township providing services to a municipality under this section, the legislative body of the township may opt out of participation under this subsection by adopting a resolution before July 1 of a year. A copy of a resolution adopted













under this subsection shall be submitted to the executive of each included town covered by the resolution, the county auditor, and the department of local government finance.".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1002 as introduced.)

CRAWFORD, Chair

Committee Vote: yeas 16, nays 8.







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